

FISCAL NOTE

SB 2999 - HB 4086

February 18, 2008

SUMMARY OF BILL: Authorizes out-of-state tuition waivers to out-of-state students who are the children or grandchildren of retired public higher education employees with five or more years of service.

ESTIMATED FISCAL IMPACT:

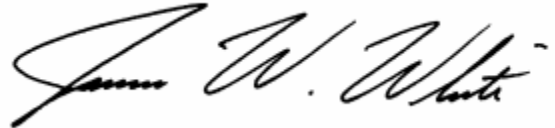
Increase State Expenditures - Exceeds \$100,000

Assumptions:

- There are 12,346 retired public higher education employees with five or more years of service.
- According to the University of Tennessee (UT), since July 1, 2007, 316 individuals have retired between the ages of 47–79 with an estimated 439 children and 803 grandchildren. An estimated 24% of the retired population has no children and the average number of children per retiree who has children is 1.83 children.
- There is no age limitation for out-of-state children and grandchildren desiring to attend college in Tennessee.
- Online courses make out-of-state enrollments more attractive.
- As baby boomers begin to retire, the grandchildren population is expected to grow.
- The average out-of-state fee for UT ranges between \$10,040 and \$11,942 per year. The average out-of-state fee for TBR schools ranges between \$10,800 and \$10,200 per year.
- Factors such as the number, location, and ages of children and grandchildren of higher education retirees desiring to attend college in Tennessee are unknown. However, if at least 10 students are accepted for admission at a school in Tennessee and the out-of-state fee is waived, the increase in state expenditures is estimated to exceed \$100,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

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